

FINAL INITIAL STATEMENT OF REASONS

TITLE 17, CALIFORNIA CODE OF REGULATIONS

DIVISION 2. DEPARTMENT OF DEVELOPMENTAL SERVICES

CHAPTER 3. COMMUNITY SERVICES

Note: This Final Statement of Reasons (FSOR) is a modification of the Initial Statement of Reasons (ISOR) document. Deletions from the ISOR are in strike-out text; additions are in bold, underlined text.

(a) Description of the Public Problem, Administrative Requirement or Other Condition or Circumstance the Regulations are Intended to Address

Welfare and Institutions Code, Section 4690, requires the Director of the Department of Developmental Services to establish, maintain, and revise, as necessary, an equitable rate process for setting rates for nonresidential services purchased by the regional centers. Wages for respite workers have consistently been low, which has made it difficult to procure enough quality services to meet the growing need. The Legislature recognized this public problem and appropriated funds in the Fiscal Year 2000-01 Budget Act to provide for a 10% increase in salaries and wages.

(b) Specific Purpose and Rationale for Necessity

SUBCHAPTER 7. NONRESIDENTIAL SERVICE VENDOR RATE SETTING PROVISIONS

ARTICLE 3. VOUCHERS

57310. Method of Reimbursement for Voucher Services

Specific Purpose:

This section lists which services can be purchased with vouchers, and the maximum rate of reimbursement for those services. The proposed change is intended to allow regional centers to pay family members up to 10% more for respite services.

Rationale for Necessity:

The Legislature placed funds in the Fiscal Year 2000-01 Budget Act to provide for a 10% wage pass through for respite services, as well as other day services. This proposal is necessary to allow regional centers to pass these rate increases on to in-home respite workers and respite facilities.

There are approximately 27,090 family members of consumers who procure respite services utilizing a voucher issued by the regional center. Under the voucher service, the regional center reimburses the vouchered family member who, in turn, has responsibility for the selection, supervision, and level of payment of the individual worker. The family member may select an individual, agency or a facility when out-of-home respite is required.

The family member has the flexibility to hire an individual, or individuals, at a lower rate of pay in order to increase the number of respite hours available to them, or the family may reimburse the workers at varying levels of pay depending on the qualifications of the worker.

It would be very difficult for 27,090 family members to determine the amount due to each individual hired by the family to provide respite services and issue retroactive checks to each worker who provided the service since July 1, 2000, assuming that they could identify and locate each worker who provided service since that time. In addition, it would be very difficult for regional centers to verify, within existing resources, that retroactive funds were distributed as intended by more than 27,000 voucher recipients to the individual workers. An effective date of March 1, 2001, for these increases would provide the rate increases intended by the legislature and eliminate the problems the vouchered family members would face with an effective date which is eight months earlier.

ARTICLE 5. RATES OF REIMBURSEMENT BASED ON THE SCHEDULE OF MAXIMUM ALLOWANCE OR THE VENDOR'S USUAL AND CUSTOMARY RATE Section 57332 Maximum Rates of Reimbursement for Non-Residential Services Subsection (c) (3) (A)

Specific Purpose:

This section sets maximum rates of reimbursement for many non-residential services. The proposal in this subsection would increase the maximum reimbursement rate for in-home respite workers and respite facilities by 10%.

Rationale for Necessity:

The Legislature placed funds in the Fiscal Year 2000-01 Budget Act to provide for a 10% wage pass through for respite services, as well as other day services. This proposal is necessary to allow regional centers to pass these rate increases on to in-home respite workers and respite facilities. These groups were receiving \$7.79 per consumer per hour before the emergency regulations filed on March 5, 2001, increased the maximum reimbursement rate to \$8.57 per consumer per hour (1.10 times \$7.79). This proposal would make this change permanent.

The proposed effective date corresponds with the effective date of the Budget Act. Furthermore, unlike the voucher services noted in Section 57310, the proposed July 1, 2001 date does not impose any unreasonable burdens on the regional centers, in that they maintain both vendor and payment records and can effectively implement the increases.

**SUBCHAPTER 9. RATE SETTING METHODOLOGY FOR COMMUNITY-BASED
DAY PROGRAMS**

ARTICLE 3. NON-MOBILE SUPPLEMENTAL RATE

**Section 57530. Supplemental Rate for Community-Based Day Programs Serving
Non-Mobile Consumers**

Specific Purpose:

The purpose of this section is to allow regional centers to increase by 10% the maximum amount paid for supplemental staff employed by community-based day

programs to assist non-mobile consumers.

Rationale for Necessity:

The Legislature placed funds in the Fiscal Year 2000-01 Budget Act to provide for a 10% wage pass-through for most day services. This proposal is necessary to allow regional centers to pass these rate increases on to supplemental workers providing mobility assistance to non-mobile consumers in community-based day programs. These groups were receiving \$.69 per consumer per hour before the emergency regulations filed on March 5, 2001, increased the maximum reimbursement rate to \$.76 per consumer per hour. This proposal is necessary to make this change permanent.

The proposed effective date corresponds with the effective date of the Budget Act. Furthermore, unlike the voucher services noted in Section 57310, the proposed July 1, 2001 date does not impose any unreasonable burdens on the regional centers, in that they maintain both vendor and payment records and can effectively implement the increases.

- (c) **The comment and responses filed in Tabs H and J of the Rulemaking File are incorporated herein as if fully set forth below.**
- (d) **The Department has determined that no alternative considered would be more effective in carrying out the purpose for which the regulation is proposed or would be as effective and less burdensome to affected private persons than the adopted regulation.**
- (e) **There were no alternatives proposed by any parties during the public comment period other than the comment responded to in Tabs H and J of the Rulemaking File. The Department considered the alternative of not adopting regulations, and rejected that alternative as it did not provide the safeguards and assurances to the consumer's health and well being that the Department is seeking.**
- (f) **The Department has determined that the adopted regulations do not impose any mandate on local agencies or school districts.**